



PROGRAM AGREEMENT

THIS PROGRAM AGREEMENT ("Agreement") is made as of the 7th day of April, 2004 (the "Effective Date") by and between MBF Leasing, LLC ("MBF"), an Illinois LLC, having its principal place of business at 147 West 83rd Street, Suite #C, Burr Ridge, Illinois 60527 and

Vendor Legal Business Name:	Universal Merchant Services	, the "Vendor"
Principal Name:	Jason Moore	
Business Address:	245 A-2 Fischer Ave.	
City, State, Zip:	Costa Mesa, Ca. 92626	
Business Phone#:	714-800-1980 Fax# 714-800-1798	
State of Incorporation		
Date of Incorporation		
ISO Code:		
Principal's Home Address:		
City, State, Zip:		
Principal's Home Phone#:		
Social Security Number#:		

WHEREAS, Vendor is in the business of selling credit card processing terminals, and printer equipment ("Equipment") and related equipment to eligible customers for business use; and

WHEREAS, Vendor is a valid, existing legal entity and has full power and authority to perform its obligation under this Agreement and shall act as and represent itself as an independent sales organization;

WHEREAS, many of Vendor's customers desire to lease such Equipment; and

WHEREAS, MBF is in the business of leasing such Equipment and other items of personal and business property to third parties; and

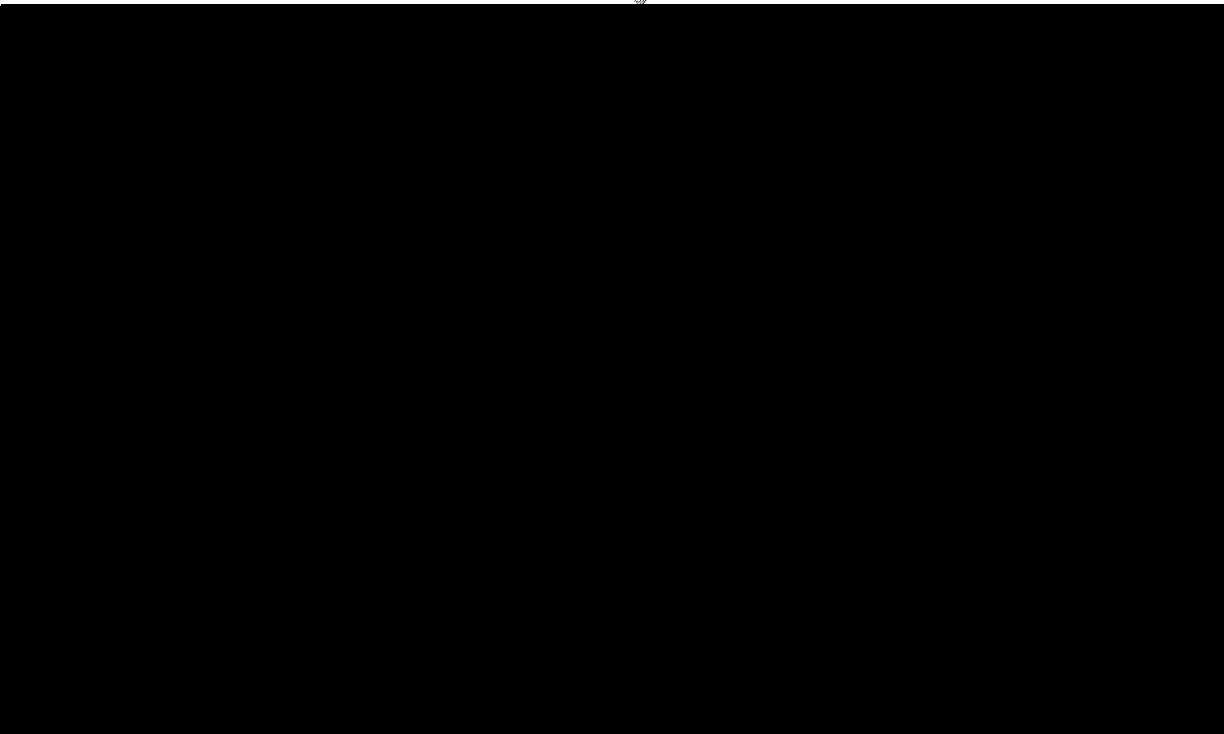
WHEREAS, MBF and Vendor desire to engage in a program (the "Program") in which Vendor will refer customers who desire to lease such Equipment to MBF and MBF will, subject to the terms and conditions of this Agreement, purchase the Equipment from Vendor and simultaneously lease Equipment to customers of Vendor ("Merchant(s)") on terms and conditions provided by, and acceptable to MBF.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration and of the representations, warranties, covenants and agreements hereafter contained, the parties hereto agree as follows:

Section I: Lease and Lease Origination

- (a) Vendor will refer Merchants who desire to lease Equipment to MBF and shall provide to such Merchants MBF's Lease agreement (the "Lease") and the contents of the terms and conditions of the Lease agreement. As used in this Agreement, the terms Lessor, Lessee, Guarantor, Vendor, Delivery, Acceptance, and Bill of Sale shall have the same meanings as used in the Lease. Each Equipment Lease and related documents (the "Lease Documents") executed and delivered to the Lessor under this Agreement shall be duly authorized, executed and delivered by the parties thereto; constitute the valid and binding obligation of such parties, and be fully enforceable in accordance with the terms and conditions set forth therein, except as the enforcement of such documents may be affected by bankruptcy or similar laws affecting creditor rights generally.
- (b) For all transactions with an Equipment cost of equal to, or less than \$1,000 for any individual transaction, Vendor shall review and submit to MBF, subject to and in accordance with the Credit and Funding Requirements attached hereto as "Exhibit A", in addition to MBF's credit criteria, the Merchant who has been approved by Vendor and its Processor(s) for its products and services (as confirmed in the Vendor Merchant Application), and MBF shall lease the Equipment to such Merchant provided such Merchant is not in default of any other leases or similar obligations it may have, see the Credit Quality and Guidelines Section and the Section titled Lessees/Merchants Excluded from the Program and Other Program Guidelines for additional exclusions. Vendor agrees it will promptly advise MBF of any change in its criteria for evaluating

a Merchant for processing and that the overall merchant Credit Quality will not deteriorate from the current profile or required credit quality mix as set forth in this Agreement. All credit and lease application approvals issued by MBF are valid for a period of thirty (30) days from date issued. All transactions will include Equipment only. Transactions that include software, e-commerce processing and other value added services will be considered outside the parameters of this Agreement.

- (c) In all transactions with an Equipment cost of \$10,000 or more, and for any Lessee whose aggregate amount of multiple lease transactions is greater than \$10,000, regardless of originating Vendor, the decision to approve and lease Equipment to such Merchant shall be made by MBF at its sole discretion.
 - (d) Vendor shall provide MBF with fully and correctly completed Lease Documents and will be required to assist MBF in obtaining updated information, including but not limited to, bank ABA or account number changes, and telephone number or address changes. In addition, in connection with any transactions having an aggregate Equipment cost of \$10,000, or more, Vendor will provide MBF with all reasonably required credit and documentation information. Vendor warrants that to the best of its knowledge, all of the credit and other information obtained from the Lessee, Guarantor(s) and any third parties and stated in the Lease Documents shall be true, genuine, complete and accurate in all respects. Vendor warrants that all of the signatures on the Lease Documents shall be true, complete, accurate and genuine in all respects.
 - (e) The Lease Documents shall constitute the complete and integrated understanding and agreement of the parties. Vendor and its representatives shall not make any representations or warranties, verbally or otherwise, to any Lessees or third party in contravention of the terms of the Lease Documents or take any actions directly or indirectly which modifies the terms and conditions of the Lease Documents. Each Lease and related document(s) executed and delivered to MBF under this Agreement shall be duly authorized, executed and delivered by the parties thereto; constitute the valid and binding obligation of such parties, and be fully enforceable in accordance with the terms and conditions set forth therein, except as the enforcement of such documents may be affected by bankruptcy or similar laws affecting creditor rights generally.
 - (f) Vendor will not use the name, trademarks, service marks or other identifying characteristics of MBF as part of its firm, trade or corporate name, nor will it represent that it has authority beyond the scope set forth in this Agreement.
 - (g) Transactions will be funded via ACH.
 - (h) Vendor warrants and agrees that it will objectively and without bias select and submit lease transactions and refer ISAs/ISOs, to MBF and represents that it will not use unfair selection practices that may negatively affect MBF.
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Section 4: Lessees/Merchants Excluded from the Program and other Program Guidelines

(a) MBF shall not be obligated under this Agreement to enter into a lease with any Merchant falling into any of the following categories:

- (i) Consumers, non-business lessees.
- (ii) Applicants less than 18 years of age at the signing of the Lease.
- (iii) Merchants who have engaged in previous transactions involving MBF or any other leasing company in which such Merchants have had a derogatory history (severe delinquency, collections, charge-offs, liens, suits, judgments) as determined by MBF at its reasonable discretion.
- (iv) Merchants with open bankruptcy petitions (not dismissed or discharged) and/or who are in Debtor in Possession status.
- (v) Merchants with open and unpaid federal or state tax lien(s), and/or any unpaid judgment(s) or judgment liens.
- (vi) Merchants who while engaged in previous transactions involving MBF or any other leasing company, have engaged in any illegal use of the leased equipment.
- (vii) Merchants providing adult oriented material or services.
- (viii) E-commerce processing services, in home business, Internet based business, multi-level marketing programs, seminar based business, seminar based lease origination, business opportunities or software.

(b) The following are certain Program guidelines applicable to all Merchants and all transactions contemplated pursuant to this Agreement.

- (i) Minimum Base Monthly Payment for any Lease shall be no less than \$9.99.
- (ii) Maximum Equipment Funding Amounts are applicable to all transactions contemplated hereunder.

(iii) Each Lease must be personally guaranteed by at least one principal owner of the Merchant/Lessee (the "Personal Guarantor").

Section 5: Lease Fees

- (a) In connection with each Lessee, MBF will provide a loss and destruction waiver fee for a monthly charge of \$4.95 per month, per set of equipment included in the Lease. This fee may be changed from time to time and will be waived if the Lessee provides MBF, within thirty (30) days of the Lease commencement date, a valid certificate of insurance from a recognized and acceptable insurance company naming MBF as Loss Payee and Additional Insured.
- (b) MBF will assess and bill to the Lessee, an annual tax compliance fee that is currently \$25.00 for each Merchant/Lessee transaction and may change due to changes in state compliance and filing fees.

Section 6: Responsibilities of the Parties

- (a) MBF will notify Vendor of its credit decision pertaining to an individual Lease within four (4) hours after MBF receives from Vendor a complete merchant or lease application form, provided, however, that Vendor delivers such merchant or lease application form to MBF on a business day that is not a holiday. Credit decisions pertaining to a Lease based upon a completed merchant processing or lease application form received by MBF after 3:00 p.m. CST shall be delivered to the Vendor no later than 10:30 a.m. on the following business day.
- (b) MBF, or its assignees, shall be responsible for servicing the Leases and collection of rentals thereunder.
- (c) MBF will furnish Vendor with all lease credit application and Lease Documents.
- (d) Each party acknowledges and agrees that each is an independent contractor in performing its obligations under this Agreement, and that, unless specifically authorized, neither party is authorized to make any commitment or representation on behalf of the other party. Vendor understands it is not an agent of MBF and this Agreement does not confer upon it any powers of an agent. Vendor acknowledges that MBF acts as a source of funds to the customers of Vendor and is not a manufacturer, service company or supplier of Equipment.
- (e) Vendor shall perform all of its obligations under any maintenance or service agreement with respect to the Equipment. Vendor will maintain and service the Equipment covered by a Lease during the term of the Lease and perform, immediately, all of its obligations and commitments made to the Lessee.
- (f) Vendor and/or Guarantor shall notify MBF of any name change, change to corporate status or structure, business address, home address, of principal or any other material change to Vendor status.
- (g) In the event that Vendor or any of its principals file for bankruptcy, MBF must be notified within forty-eight (48) hours of such filing and MBF reserves the right to terminate this agreement upon such notification if necessary.
- (h) Vendor shall not jeopardize or otherwise take any action to interrupt the Lease agreement between MBF and the Lessee at any time during the lease term or its renewal periods.
- (i) Vendor will abide by the policies and procedures of MBF and its designated representatives established from time to time and will not submit to MBF any Lease contracts that have been rejected by other leasing companies without notification to MBF; nor shall Vendor submit any pending MBF transaction to another leasing company until the transaction disposition has been made by MBF.

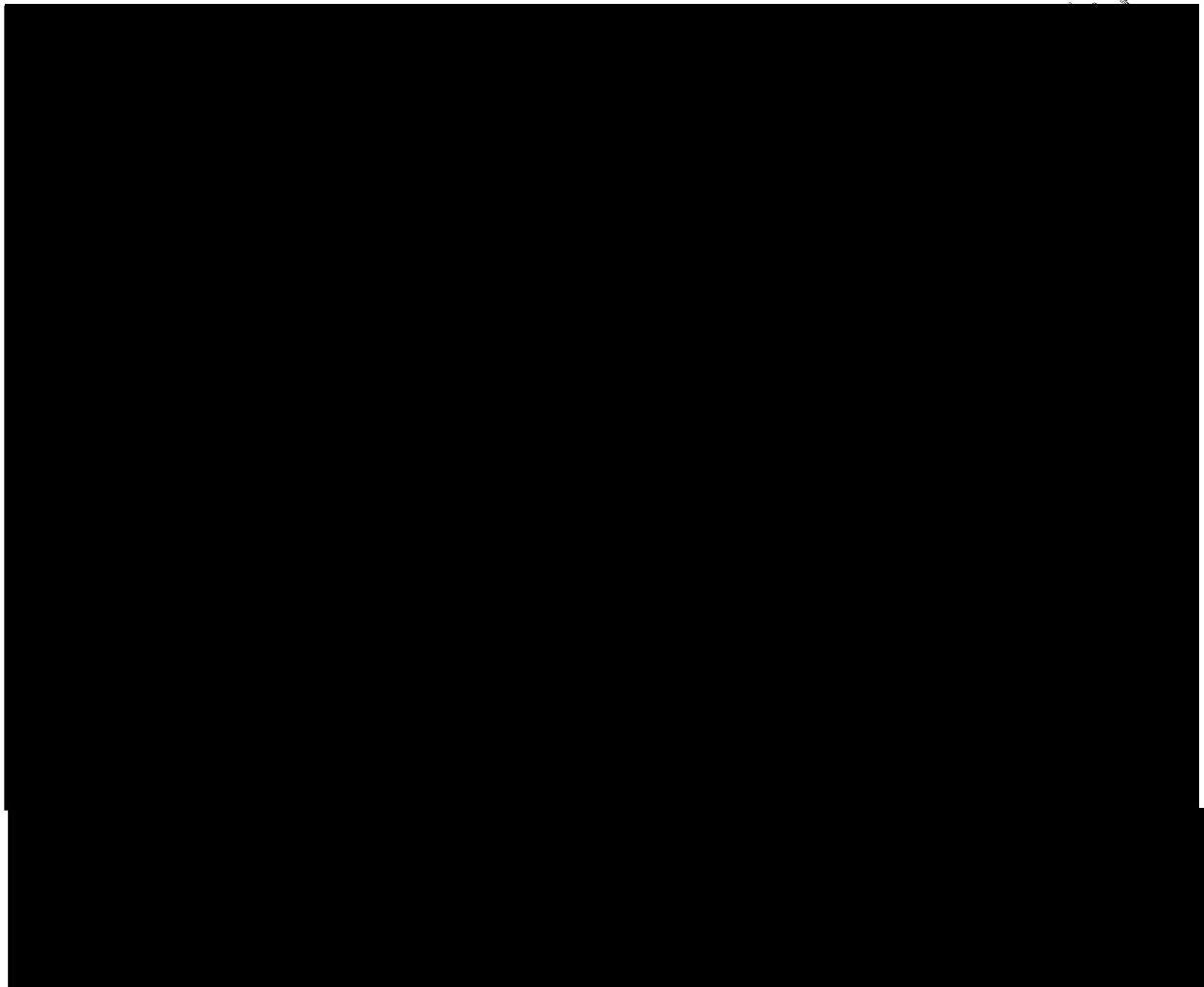
Section 7: Term of the Agreement

- (a) The rights and obligations of the parties hereunder with respect to Leases originated prior to expiration of this Agreement shall survive said expiration.
- (b) Both parties reserve the right to terminate this Agreement with notice for (1) the breach of any terms, conditions or obligations in this Agreement, (2) acts of fraud or misrepresentation, or (3) any illegal acts or intentional wrongdoing committed by the other party's employees, agents or authorized representatives. Termination pursuant to this Section shall be effective immediately upon the delivery of a written notice of termination (a "Notice of Termination") which shall include a reference to this paragraph and shall state the reason for the termination.
- (c) Either party may terminate this agreement upon thirty (30) days prior written notice to the other party.

- (d) MBF may assign this Program Agreement, provided that (1) the assignee shall be economically capable of performing the obligations of MBF hereunder, and (2) the assignee fully assumes all the rights and obligations of the MBF hereunder. Vendor may assign this Program Agreement, provided that (1) Vendor gives MBF at least thirty (30) days notice of such assignment, and (2) the assignee fully assumes all the rights and obligations of Vendor hereunder.

Section 8: Integration

This Agreement contains the parties' entire understanding concerning its subject matter and supersedes and merges all previous verbal and written agreements.

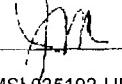


Section 10: Miscellaneous

- (a) Each party acknowledges and agrees that this Agreement (and the terms hereunder) and any information or data it has or will acquire from the other party, not otherwise properly in the public domain, was received in confidence. Each party hereto agrees not to divulge, communicate or disclose to any third party, except as may be required by law or for the performance of this Agreement (including conducting due diligence or notifying a party's lender), this Agreement (or the terms thereof) or any confidential information of the other party. Except to the extent expressly stated here, this provision is not intended to supersede any confidentiality or non-disclosure agreement, which may exist between the parties.
- (b) This Agreement shall be governed in accordance with the laws of the State of New York. Vendor hereby irrevocably consents to the jurisdiction and venue of any court in the State of New York, or any court Lessor may choose. Vendor

Page 5 of 7

Revised 1/04

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hereby waives all rights to a trial by jury and agrees that at MBF's sole discretion, MBF may submit any matter arising out of the Agreement, including any claim or counterclaim, to binding arbitration under the rules of the American Arbitration Association, in any site of MBF's choice.

- (c) Vendor shall indemnify and hold MBF harmless from any claims, damages or losses, including but not limited to reasonable attorneys' fees and legal expenses arising from a material breach of Vendor's representations, warranties or covenants. MBF shall indemnify and hold Vendor harmless from any claims, damages or losses, including but not limited to reasonable attorneys' fees and legal expenses arising from a material breach of MBF's representations, warranties or covenants. In no event shall one party be liable to the other for any special, incidental, consequential, indirect or punitive damages.
- (d) All notices provided in this Agreement shall be in writing and deemed given when mailed or faxed to Vendor or MBF at their respective addresses set forth above, if sent by registered or certified mail, return receipt requested, or when actually received if given in any other manner.

The undersigned, jointly and severally, hereby unconditionally guaranty, without deduction or diminution by reason of Counterclaim, offset or defense, and in accordance with all terms and conditions of this Agreement, including any and all modifications, additions, supplements and amendments thereto that all information provided and contained in this Agreement is true and correct and that signor has full and complete authority to enter into this Agreement on behalf of Vendor.

This Agreement, when executed by both MBF and Vendor, shall constitute the entire Agreement between the parties, and shall supersede and cancel all prior offers and negotiations, whether in writing or otherwise. No amendment or modification of this Agreement shall be effective unless in writing and duly executed by all parties hereto.

In witness whereof, each of the parties has caused this Agreement to be executed as of the date below.

MBF Leasing, LLC

By: _____

Authorized Signor
Title

Date: _____

Vendor Name

Signature: Jason Moore

Title of Signatory: President

Date: 4/7/04

Guarantor's Signature, No Title

Date: 4/7/04

"Exhibit A"
MBF Leasing, LLC
Credit and Funding Requirements

To assist in processing lease transactions with MBF Leasing, LLC ("MBF") please review the following requirements:

1. Complete MBF lease credit application including equipment description, lease term and monthly payment or an acceptable form of the merchant service application, which provides authorization for MBF's credit investigation.
2. Guarantor information and signatures, including Social Security numbers are required on all applications. If there are two guarantors on the merchant application MBF will require two signatures on the lease agreement and guaranty section. From time to time it may be necessary to obtain a copy of the Merchant's social security card if the number cannot be verified.
3. A Personal Guaranty is required on all lease documents; a signature of the principal owner of the business must appear in the Personal Guaranty box.
4. An authorized ISO agent must sign Bill of Sale on the Lease Agreement.
5. If the lease agreement is received without an executed Bill of Sale an invoice billing MBF will be required.
6. A Voided check copy from the Lessee's business checking account is required at all times.
7. A signature is required in all appropriate boxes. "White Out" is not acceptable on the lease agreement. Cross-outs or changes to the Lease Agreement are not acceptable.
8. Serial Numbers for all leased equipment and MID numbers must be received prior to funding.
9. Verification of Lessee Signature (copy of advance payment check or signature on the merchant service application may be acceptable).
10. Equipment location must be provided if other than billing address.
11. If lease transaction is over the approved program amount additional information, financial statements, or documentation fees may be required.
12. Advance Payments and Interim Rent will be collected by MBF.
13. Verbal Verification of lease terms conducted by MBF directly with the merchant.